

ORANGE COUNTY CEMETERY DISTRICT

Board of Trustees

February 6, 2024

MINUTES

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order by Chair Cynthia Ward at 10:05 a.m., in the Board Room of the Orange County Cemetery District, 25751 Trabuco Rd., Lake Forest, CA 92630.

The Pledge of Allegiance was led by Vice Chair Maribel Marroquin-Waldram.
Roll Call by Board Secretary, Mary Funk.

PRESENT:	Cynthia Ward, Chair	Fourth District
	Maribel Marroquin-Waldram, Vice Chair	First District
	Kelly Rivers	Second District
	Vladimir A. Anderson	Third District
	Noel Hatch	Fifth District

STAFF: Tim Deutsch, General Manager
Brenda Manriquez, Finance and Accounting Manager
Mary Funk, Board Secretary

ALSO

PRESENT: Steve Quintanilla, General Counsel
Larry Ryan, RJM Design Group – Attended remotely at 11:00 a.m.
Deby Pracilio LSA Associates, Inc. – Attended remotely at 11:00 a.m.
James Fisler, OC LAFCO Commissioner
John Lewis
Harvey Liss
Lurette Forrest

PUBLIC COMMENTS

OC LAFCO Commissioner, James Fisler, attended the Board Meeting to provide an update on his efforts to increase outreach and communication by OC LAFCO. Mr. Fisler and Chair Douglass Davert have been putting out a one-page newsletter specifically for Special Districts with updates on OC LAFCO. The publication is called The Special District Dialogue and features helpful hyperlinks with information on a variety of OC LAFCO topics. Mr. Fisler also announced that his seat will be coming open in the next OC LAFCO Election and he does intend to run again. Mr. Fisler briefly discussed the election schedule and would appreciate the Board's support. Mr. John Lewis accompanied Mr. Fisler at the meeting.

Lurette Forrest, a retired veterinarian from Irvine also joined the meeting remotely. Ms. Forrest wanted to address the addendum to the Final Environmental Impact Report No. 331. She stated that much has changed since the original EIR was approved and would like to make sure there is an opportunity to review the addendum before it is approved. GM Deutsch instructed Ms. Forrest to email the Board Secretary Mary Funk with the request. When documents are ready, Mary Funk will email her information on where to access the documents.



Chair



Secretary

Harvey Liss, a resident of Irvine, also addressed the board remotely. He stated that he had seen the announcement by CalVet releasing their results of their study on the Gypsum Canyon site, and he had additional questions about the cost estimates for the project as described by the CalVet study. GM Deutsch replied that those were great questions, and that the public cemetery design team is also looking at this report for the first time. GM Deutsch said that our goal is to create as much cost efficiency as possible and share costs where appropriate with CalVet. After the District’s design team has a chance to review the CalVet study and meet with CalVet to discuss these questions in more detail, GM Deutsch said he would reach out to Mr. Liss with any updates that become available.

PRESENTATION OF AWARDS

GM Deutsch congratulated Trustee Kelly Rivers for serving two consecutive years as the District’s Board Chair. He presented Trustee Rivers with a plaque that commemorates all three terms that she has served as Board Chair. GM Deutsch also congratulated Finance and Accounting Manager, Brenda Manriquez for reaching her ten-year milestone with the District. GM Deutsch presented her with a plaque commemorating her achievement, noting that the District would not be where it is today without the contributions of Brenda Manriquez.

CONSENT CALENDAR

- A. Approval of Minutes – Regular Board Meeting, January 2, 2024.
- B. Approval of the February 2024 Check Registers (Claims) Nos. 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128,129 and 130.
- C. Acceptance of the Quarterly Investment Report for period ending December 31, 2023.

MOTION: of Trustee Rivers, seconded by Trustee Hatch and carried by a vote of 5-0, approved the Consent Calendar.

MANAGER REPORTS

A. Interments and Interment Space Sales Reports – December 2023

The following interment and interment space sales for December 2023 were reviewed:

			<u>2023-2024</u>	<u>2022-2023</u>
ANAHEIM	Interments	6 (4 Urn)	41 (30 Urn)	43 (26 Urn)
	Lot Sales	2	15	17
EL TORO	Interments	85 (33 Urn)	454 (155 Urn)	457 (154 Urn)
	Lot Sales	51	523	551
SANTA ANA	Interments	16 (6 Urn)	114 (50 Urn)	82 (48 Urn)
	Lot Sales	3	37	31


Chair


Secretary

TOTAL	Interments	107 (43 Urn)	609 (235 Urn)	582 (228 Urn)
	Lot Sales	56	575	599

GM Deutsch noted that this report reflects activity through the first half of the fiscal year and **said** that all Pre-Need sales at El Toro Memorial Park are done and future casket sales are all **At-Need** now.

He reported that Anaheim Cemetery is status-quo with two space sales in December, for a total of 15 sales year-to-date compared to 75 sales from the previous year. Staff conducted 6 **interments** in December with 41 interment services year-to-date compared to 43 services from **the** previous year.

El Toro Memorial Park had 51 space sales in December including 34 casket space sales, 2 infant **space** sales, 11 niches and 4 in-ground cremation spaces. Year-to-date, El Toro Memorial Park **has** sold 523 interment spaces compared to the previous year at 551 interment space sales.

GM Deutsch said that there are approximately 195 niches left in the Maureen Rivers Memorial **Niche** Garden and that the District is working on design documents to place niches around the **electrical** vault in that niche area.

Staff at El Toro Memorial Park conducted 85 interment services in December for a total of 454 **interments** year-to-date, just short of last year’s 457 interments for the same time period.


Santa Ana Cemetery sold three cremation spaces in December including two niches and one in-**ground** space. Year-to-date, Santa Ana Cemetery has sold 37 spaces which is just ahead of the **31** spaces sold last year at this time. Staff conducted 16 services in December with a year-**to-date** total of 114 interments, well ahead of the 82 interments conducted by the same time last **year**. The cremation rate at Santa Ana Cemetery year-to-date is also increasing at 43.86%.

Overall, the District had 56 space sales for December compared to 76 in December 2022. Year-**to-date**, the gap is starting to widen with 575 space sales in 2023 and 599 space sales in 2022. **For** interment services, District-wide we have conducted 609 interments year-to-date, which is **ahead** of last year’s pace of 582 interments.


Chair Ward asked if the money paid for pre-need services stays in the Pre-Need Fund until it is **used**. Brenda Manriquez replied that this is basically correct. The District has been doing **transfers** out of the Pre-Need Fund to General Fund about twice a year, but over the last several **months** far more Pre-Need is being used. Staff will start doing transfers from the Pre-Need Fund **to** the General Fund on a quarterly basis to recognize that revenue in a more timely manner.

B. Financial Reports – December 2023

Brenda Manriquez noted a typo on the staff memo and stated that it should read, “For year-**to-date** balances ending December 31, 2023...” rather than November 30, 2023. Brenda stated that **the** District did receive a large chunk of property tax revenue. In Year-to-Date Actual the **District** is at \$1,441,004 which is slightly higher than the \$1,363,608 that was budgeted. Interest **income** is at 128% of the budgeted amount and there is still six more months to go. Interment **space** sales are trending as expected.



 Chair



 Secretary

For expenses, Salaries and Benefits are also trending as anticipated. Brenda Manriquez noted that legal fees are down compared to the previous year, as last year we were issuing debt and securing loan documents and we do not have those expenses this year. Through December, the District has not had any new equipment expenses, but equipment purchases will be discussed later in this Board Meeting.

Brenda Manriquez also noted that in Buildings and Improvements there was \$389,474 in costs incurred for new cemetery development and about \$9,600 to OC Welding for the wrought iron gate repair.

On the Balance Sheet, Brenda Manriquez stated there have been no major changes. In regards to Chair Ward's question earlier in the meeting about the transfer of Pre-Need funds, Brenda Manriquez pointed out the \$5,786,459 showing on the Balance Sheet under Pre-Need deposits and noted that this is where Pre-Need funds are pulled from when services are used. Those funds are then recognized as revenue in the General Fund.

C. Interest Rates – December 2023

GM Deutsch noted that rates are leveling off a bit and starting to dip back down under 5%.

D. Investment Portfolio Changes - January 2024

GM Deutsch reported that there were a number of investments maturing in January. Some were called early. Trustee Hatch commented that early calls are happening more frequently, especially with government agencies. GM Deutsch commented that fortunately, the District is still able to get short term CD's. GM Deutsch also noted that the District is trying to keep the Endowment Income and Endowment Principal Funds short, however we did purchase a CD with a five-year term that has a yield of 5.20% which is pretty good. In the next six months GM Deutsch stated that UBS Endowment Principal and Income will have \$690,000 coming due. Stifel Endowment Principal & Income will have \$1,976,000 maturing. The Stifel Pre-Need will have \$1,049,000 coming due. GM Deutsch also mentioned the current rates for the pooled funds and said that the Finance and Investment Committee will discuss possibly moving some of our funds to take advantage of better rates.

E. Capital Projects Update

GM Deutsch reported that there were many different meetings that took place with the development team and various agencies in January. GM Deutsch met on the site with Larry Ryan, Fain Drilling and the Hydrogeologist to determine the best location for the well testing. Larry will submit and exhibit for the environmental consultant and for permitting. He also stated that he met with the City Traffic Engineering staff to discuss whether or not the District will have to install a traffic signal at the new cemetery and it looks like we will not have to do that. GM Deutsch said that in the future, the City may elect to change the roadway from two lanes to four lanes which would then necessitate a signal to be installed. Chair Ward asked that if the City does make this change, would the District still be responsible for the costs. GM Deutsch said that this is still to be determined.

GM Deutsch stated that he is hoping to get the project before the Planning Commission and the City Council sometime between March and June.


Chair


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He informed the Board that CalVet had posted their cost summary and the District’s Development Team is reviewing the report and hopes to meet with CalVet in the upcoming weeks to discuss the report in more detail.

On February 1st, GM Deutsch and the Development Team met with Anaheim Public Utility Electrical Management to discuss the City’s plan for providing permanent power to the site. Chair Ward asked if solar power was an option. GM Deutsch said perhaps for functions like office power, but demands such as the pump that will supply water for the site are too great for solar use. He also said we want to be careful about being good neighbors and the aesthetics of solar could be considered unappealing.

For improvement projects at the existing cemeteries, the wrought iron fence repair at Santa Ana Cemetery is completed. Work has started on repairing and repainting the gate and fence line along Trabuco Road at El Toro Memorial Park. All of the climbing rose vines on the gate were removed to reveal the beautiful ironwork on the archway that had been hidden for thirty years. Weather has prevented the work from progressing, but will continue after the rain has subsided. The District will also need to repair the iron fence work around the flag pole, by the Angel of Hope Statue, and at El Toro’s rear gate at some point in the future.

GM Deutsch has been working with Deputy General Counsel, Colin Kirkpatrick to modify the access agreement with Fairhaven so they can proceed with road closures that will generate new interment spaces.

They are also working on niche design in the Maureen Rivers Memorial Niche Garden to place new niches against the walls of the power vault enclosure.

F. Strategic Plan Discussion (Oral Update)

GM Deutsch reminded the Board that the last strategic plan was for the period between 2015 and 2019. They had planned to select a consultant to assist with a new strategic plan, but then the pandemic postponed that effort. Now the Board has agreed that they feel capable of creating a strategic plan for the District without the help of a consultant. GM Deutsch would like to kickoff this project at the March 5th Board Meeting and then meet twice a month in April and May with the goal of completing the District’s strategic plan by early June. GM Deutsch said he will send dates out to the Trustees and confirm the best times to meet. These meetings will be subject to the Brown Act with the same requirements for a quorum and remote attendance.

G. Annual Audit Status Update (Oral Report)

Brenda Manriquez stated that the audit has been delayed again, not because there were any issues with the audit, but simply because of a lack of staff time since she was attending a three-day conference. She expects that the auditors will present their report at the March Board Meeting.

GENERAL COUNSEL REPORT

Counsel Quintanilla had nothing to report.

Chair

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NEW BUSINESS

A. Equipment Purchase Approval

GM Deutsch recommended that the Board approve the purchase of a John Deere Tractor and a John Deere ProGator Utility Vehicle for use at El Toro Memorial Park. GM Deutsch stated that there is \$80,000 in the Fixed Assets Fund remaining for this fiscal year. However, there is a long lead time on the Gator and it won't arrive until October in the 2024-25 Fiscal Year. Since this will be paid for as part of the 2024-25 fiscal year budget, GM Deutsch asked for the Board to approve it now, but out of the Fiscal Year Budget for 2024-25. GM Deutsch also explained that, as a government entity, the District is able to participate in cooperative purchasing programs with provide the lowest competitive bid on each piece of equipment.

Brenda Manriquez asked if the requirement to transition to electric vehicles will be a factor. GM Deutsch said that for larger vehicles it would, but does not apply to the District's fleet.

MOTION of Trustee Hatch, seconded by Vice Chair Marroquin-Waldram, and carried by a vote of 5-0, approved the purchase of the John Deere Tractor 4066R in the amount of \$46,363.24 (FY 2023-24) and the John Deere ProGator 2030A in the amount of \$47,228.93 (FY 2024-25) to Deere & Company and authorized the General Manager to execute the purchase orders.

B. Gypsum Canyon Cemetery Development – Proposal to Prepare Addendum to Final Environmental Impact Report No. 331

GM Deutsch noted that Larry Ryan of RJM Design Group and Deby Pracilio of LSA joined the meeting to answer any questions the Board had about the proposal from LSA for services pertaining to the preparation of the Addendum to Final Environmental Impact Report No. 331 for the Gypsum Canyon Cemetery Development.

Trustee Hatch asked if this Addendum was unexpected. GM Deutsch stated that it was not unexpected and was a part of the process that they knew would have to be completed.

Chair Ward asked if corrections were needed on the LSA agreement in reference to Task 5. The proposal says it will notify "City" staff and communicate with "City" staff and that meetings beyond the stated scope of work will be attended with the "City's" prior approval. Chair Ward questioned whether LSA meant to say the "District" rather than the "City". Deby Pracilio of LSA agreed with Chair Ward stating that this was an error in the proposal and language under Task 5 would be revised to correctly reflect the Orange County Cemetery District rather than the City of Anaheim.

Chair Ward asked when public review would come in to play. Larry Ryan and Counsel Quintanilla explained that the public would have two opportunities to speak, first before the Planning Commission and second, before the City Council. Chair Ward voiced concern that if the first opportunity the public has to view the addendum is when the Planning Commission agenda is posted, that would only provide 72 hours to review the Addendum and determine if members of the public had any objections or concerns. Chair Ward stated that she would like the


Chair


Secretary

public to have more time to review the Addendum before the Planning Commission meets, stating that the District must be transparent.

Trustee Hatch asked that when this is presented to the City will it include any work for the Veterans portion of the development. Larry Ryan stated that it would include the rough grading, access drive, and some infrastructure. Even though there is no specific plan for the Veterans cemetery yet, staff understands that the intent is to include these overall site requirements in this one submission. When CalVet is ready to proceed with the actual design of the Veterans Cemetery they will conduct their own environmental studies.

Chair Ward asked how long the Addendum would be. Deby Pracilio stated she expects the Addendum to be around 100 pages. Chair Ward restated her desire that the public have at least 30 days to review the document prior to approval.

Trustee Hatch asked if we are expecting any challenges to the approval of the project. GM Deutsch said that it is probably rare for any project to be approved without some kind of objections, so the District should anticipate that there will be at least some kind of resistance or objections.

MOTION of Vice Chair Marroquin-Waldram, seconded by Trustee Rivers, and carried by a roll-call vote of 3-1-1 (Trustees Marroquin-Waldram, Rivers, and Hatch approving. Trustee Anderson dissenting. Trustee Ward abstaining), approved the proposal by LSA Associates, Inc., in the amount of \$197,300 with the changes noted in Task 5: Project Management and Meeting Attendance.

Trustee Hatch left the meeting at 11:17 a.m.

ITEMS FOR FUTURE AGENDAS - None

BOARD COMMENTS

**A. ISDOC Quarterly Luncheon, January 25, 2024 in Fountain Valley
Featuring Supervisor Don Wagner**

Trustee Rivers commented that she attended the meeting and found the presentation by Colony Stormwater Protection District to be quite interesting regarding beach erosion and their efforts to bring in 7 ½ million yards of sand. GM Deutsch stated that he and Trustee Hatch had also attended. Supervisor Wagner was the keynote speaker and CA Class with the Associate Spotlight Member.

**B. CSDA Professional Development Committee Meeting – Feb. 2, 2024
12:00 pm to 2:00 pm (Via Zoom)**

Trustee Anderson reported that he attended the CSDA committee meeting. This was his first time attending this committee and he stated topics dealt with online services, webinars and training opportunities.


Chair


Secretary


ANNOUNCEMENTS

C. CAPC Annual Conference, March 14-16, 2024 in San Diego, CA

Trustee Rivers, Trustee Anderson, Vice Chair Marroquin-Waldram, GM Deutsch and staff member Kim Eazell will all be attending.

The next regular meeting will be held on **Tuesday, March 5, 2024**, at 10:00 a.m., at the Orange County Cemetery District, 25751 Trabuco Rd., Lake Forest, CA 92630.

There being no further business, the meeting was adjourned at 11:33 a.m.



Chair



Secretary